

**MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUMMARY OF 1994
ECONOMIC DEVELOPMENT PROJECTS**

Locality: Butte-Silver Bow County

Project Number: 94-01
Company Name: Sure-Way Systems of Montana, Inc.
Financing Date: 6/94
CDBG Funds: \$100,000
Other Funds: \$860,000
SBA 504: \$307,000
Equity: \$240,000
Peoples Bank/MBOI: \$313,000
Total Project: \$960,000
Use of CDBG Funds: Working Capital
Job Retention: 0
Job Creation: 11
LMI Jobs: 7

Butte-Silver Bow will provide a \$100,000 loan to Sure-way Systems of Montana for working capital to assist the start-up operations of its medical waste treatment facility in Butte. The firm provides environmentally sound treatment of medical waste collected in Idaho and Montana through an approved micro-wave process, then disposes of the treated waste at the Butte landfill.

Locality: Sweet Grass County

Project Number: 94-02
Company Name: Pioneer Nursing Home
Financing Date: 6/94
CDBG Funds: \$200,000
Other Funds: \$2,404,000
FmHA: \$1,550,000
County/G.O. Bond: \$784,000
Foundation: \$70,000
Total Project: \$2,604,000
Use of CDBG Funds: Working Capital
Job Retention: 45
Job Creation: 10
LMI Jobs: 7

Sweet Grass County will use \$178,900 of CDBG funds for working capital to complete startup activities in support of the Pioneer Nursing Home/Medical Assistance Facility located in Big

Timber. Some operating revenues will be used to establish a revolving loan fund for other economic development activities. The project will provide essential medical services for the county, which has a 54% low and moderate income population.

Locality: Belgrade

Project Number: 94-03

Company Name: Kid-Kart, Inc.

Financing Date: 7/5/94

CDBG Funds: \$210,000

Other Funds: \$200,000

Equity: \$200,000

Total Project: \$410,000

Use of CDBG Funds: Working Capital and Equipment Acquisition

Job Retention: 12

Job Creation: 22

LMI Jobs: 20

The City of Belgrade will provide a \$200,000 loan to Kid-Kart, Inc. for working capital and equipment acquisition in conjunction with the expansion of its manufacturing facility. Kid-Kart, Inc. manufactures medical strollers and wheelchairs that accommodate children with special needs.

Locality: Lake County

Project Number: 94-04

Company Name: Montana Naturals International, Inc.

Financing Date: 7/94

CDBG Funds: \$378,000

Other Funds: \$626,736

Ronan State Bank: \$100,000

Equity: \$526,736

Total Project: \$1,004,736

Use of CDBG Funds: Equipment and Machinery Acquisition

Job Retention: 46

Job Creation: 33

LMI Jobs: 23

Lake County will provide a loan of \$350,000 to Montana Naturals International, Inc. to finance machinery and new production equipment in order to allow for expansion of its existing facility located near Arlee. The project will assist plant modernization necessary to meet expanding demand and federal regulations related to food and pharmaceutical grade standards.

Locality: Drummond

Project Number: 94-05
Company Name: Clark Fork Lumber, LLC
Financing Date: 8/94
CDBG Funds: \$130,000
Other Funds: \$340,500
Equity: \$76,750
Owner Finance: \$263,750
Total Project: \$470,500
Use of CDBG Funds: Working Capital
Job Retention: 9
Job Creation: N/A
LMI Jobs: 6

Drummond will provide a loan of \$120,000 to Clark Fork Lumber to finance working capital to assist in the purchase and reopening of an existing mill. The mill reopened and purchase financing was arranged by the owner with a lease/purchase agreement. The mill would close without CDBG funds. The mill operates only large dimension lumber production, producing boards up to 27 feet long and handling 24 inch diameter logs.

Locality: Havre

Project Number: 94-06
Company Name: The Duck Inn, Inc.
Financing Date: 8/94
CDBG Funds: \$350,000
Other Funds: \$3,563,500
1st Security Bank: \$1,934,000
SBA 504 (MCFC): \$1,000,000
Equity: \$479,500
Bear Paw RLF: \$150,000
Total Project: \$3,913,500
Use of CDBG Funds: Furniture, Fixtures, Equipment
& Professional Fees
Job Retention: 80
Job Creation: 35
LMI Jobs: 25

The City of Havre will provide a CDBG loan of up to \$320,000 to the Duck Inn to finance furniture, fixtures, equipment, and professional fees for the development of the new Great Northern Inn. The project involves the expansion of an existing profitable business to assist the development of a new 75 unit motel including meeting rooms, water slide, and pool complex with two commercial spas. Funding commitments were also obtained from 1st Security Bank, Havre's RLF Fund, and the Montana Community Finance Corporation.

Locality: Superior

Project Number: 94-07
Company Name: Superior Safety Corporation
Financing Date: 11/94
CDBG Funds: \$220,000
Other Funds: \$365,000
Equity: \$225,000
Bank Loan: \$140,000
Total Project: \$585,000
Use of CDBG Funds: Equipment, Inventory
Job Retention: 12
Job Creation : 30
LMI Jobs: 28

The Town of Superior will provide a loan of \$200,000 to Superior Safety Corporation to finance equipment and inventory to assist in the expansion of bike helmet assembly and distribution at its current location. The additional employment to be created will greatly assist an area which experienced recent timber industry job losses.

Locality: Wolf Point

Project Number: 94-08
Company Name: Great Northern Development Corporation
Financing Date: 7/17/95
CDBG Funds: \$449,500
Other Funds: \$420,000
Existing Bldg: \$390,000
Local Funding: \$30,000
Total Project: \$869,500
Use of CDBG Funds: Equipment & Working Capital
Job Retention: N/A
Job Creation: 15
LMI Jobs: 12.5

The City of Wolf Point will provide \$420,000 in CDBG funds to GNDC to finance commercial building repairs, RLF funding and technical assistance for developing capacity to assist businesses within an area with 54% low and moderate income residents. Loans will be provided to assist 5 different businesses in this area. Loan repayments will be used to continue the five-county revolving loan fund of the new Great Northern Development Corporation.

Locality: Fairfield

Project Number: 94-09
Company Name: Dairy Best Corporation

Financing Date: 12/94
CDBG Funds: \$189,500
Other Funds: \$240,000
Equity: \$240,000
Total Project: \$429,500
Use of CDBG Funds: Equipment & Working Capital
Job Retention: 0
Job Creation: 14
LMI Jobs: 9

The Town of Fairfield will provide a loan of \$175,000 to Dairy Best Corporation to finance equipment and working capital to assist in the expansion of cheese production and expand dairy operations for the production of a quality value-added agricultural product.

Locality: Livingston

Project Number: 94-10
Company Name: Livingston Rebuild Center
Financing Date: 4/17/95
CDBG Funds: \$500,000
Other Funds: \$989,056
American Bank: \$235,000
Equity: \$754,056
Total Project: \$1,489,056
Use of CDBG Funds: Working Capital
Job Retention: 161
Job Creation: 32
LMI Jobs: 30

The City of Livingston will provide a \$470,000 CDBG loan to the Livingston Rebuild Center, Inc. to be used to finance construction, machinery, equipment, inventory and working capital. The creation of the new division will make engines available for immediate installation in locomotives. Presently, LRC employs 161 experienced personnel. There will be 32 new full-time positions created, of which 30 will be made available to LMI persons, over a two year period.

Locality: Butte-Silver Bow County

Project Number: 94-11
Company Name: High Country Furniture
Financing Date: 7/17/95
CDBG Funds: \$100,000
Other Funds: \$410,774
SBA 504: \$114,307

Equity: \$130,000
Bank/MBOI: \$114,307
A/A-RLF: \$50,000
Butte In-Kind: \$2,160
Total Project: \$510,774
Use of CDBG Funds: Working Capital
Job Retention: 0
Job Creation: 12
LMI Jobs: 8

Butte-Silver Bow will provide a \$100,000 CDBG loan to be used for High Country Furniture's business activities. High Country Furniture, a startup furniture manufacturing business, will provide 12 full-time positions, of which 8 will be made available to low and moderate income persons.

Locality: Butte-Silver Bow County

Project Number: 94-12
Name of Company: Mycotech
Financing Date: 12/18/95
CDBG/EDA Funds: \$340,000
Other Funds: \$6,660,000
BLDC/IRP: \$147,000
Bank: \$500,000
SMDA: \$79,000
A/A: \$37,000
BSB RLF: \$37,000
Equity: \$5,860,000
Total Project: \$7,000,000
Use of CDBG Funds: Equipment
Job Retention: 23
Job Creation: 18
LMI Jobs: 21

Butte-Silver Bow will use \$106,060 of CDBG funds in combination with \$233,940 funds from the Economic Development Administration (EDA) for a total CDBG/EDA Revolving Loan Fund (RLF) loan of \$340,00 to Mycotech Corporation, for equipment to be used for its business activities. Mycotech has projected 41 full time equivalent positions in Butte, of which 51% will be made available to low and moderate income persons. Repayment of this RLF loan will be made directly to the Department. Butte-Silver Bow will provide assurance of meeting both CDBG and EDA regulations, and maintain the Department as the secured party to the loan.

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